



Bob Holden
Governor

DIVISION OF WORKFORCE DEVELOPMENT

Kelvin L. Simmons
Director

Rick Beasley
Director

April 26, 2004

DWD ISSUANCE 03-03

Subject: Program Year 2004 (PY '04)/Fiscal Year 2005 (FY '05) Workforce Investment Act (WIA) Formula Allocations for Adult, Youth, and Dislocated Worker Programs to Local Workforce Investment Boards (LWIBs).

1. **Purpose:** To provide funding information for completion of modifications to the Local Workforce Investment Act (LWIA) Plans for PY '04 and FY '05 WIA funding.
2. **Substance:** **Attachment 1** provides the PY '04/FY '05 WIA Title I-B Adult formula fund allocation.

Missouri's PY '04 Adult allotment is \$3,025,443 of which 85 percent is allocated to the LWIBs in the amount of \$2,570,396. Missouri's FY '05 Adult allotment is \$11,526,065 of which 85 percent is allocated to the LWIBs in the amount of \$9,798,386.

Adult PY '04 allocations are available July 1, 2004 and Adult FY '05 allocations are available October 1, 2004. LWIBs may request to transfer up to 30 percent each of the PY '04 and FY '05 Adult Program funding to the respective PY '04 and FY '05 Dislocated Worker Program funding.

Attachment 2 provides the PY '04 WIA Title I-B Youth formula fund allocation.

Missouri's PY '04 Youth allotment is \$16,241,262 of which 85 percent is allocated to the LWIBs in the amount of \$13,805,073. PY '04 Youth allocations are available April 1, 2004. There is no authority for LWIBs to transfer funds to or from the Youth activity program. In accordance with 20 CFR 664.320 of the WIA Final Regulations, a minimum of 30 percent of the LWIB Youth allocation, excluding amounts set aside for local administration from the Youth allocation, must be budgeted and expended for out of school youth activities.

Attachment 3 provides the PY '04/FY '05 WIA Title I-B Dislocated Worker formula fund allocation.

Missouri's PY '04 Dislocated Worker allotment is \$5,425,768 of which 60 percent is allocated to the LWIBs in the amount of \$3,255,461.

Missouri's FY '05 Dislocated Worker allotment is \$13,934,460 of which 60 percent is allocated to the LWIBs in the amount of \$8,360,676.

Dislocated Worker PY '04 allocations are available July 1, 2004 and Dislocated Worker FY '05 allocations are available October 1, 2004. LWIBs may request to transfer up to 30 percent each of the PY '04 and FY '05 Dislocated Worker Program funding to the respective PY '04 and FY '05 Adult Program funding.

Attachment 4 provides PY '04 WIA Title I-B Adult, Youth and Dislocated Worker funding combined to aid in the completion of the Planning Budget Summary for WIA funds.

Attachment 5 provides FY '05 WIA Title I-B Adult and Dislocated Worker funding combined to aid in the completion of the Planning Budget Summary for WIA funds.

Attachment 6 is a revised Planning Budget Summary for WIA funds to be used to budget funds included in this issuance. A separate Planning Budget Summary must be completed for each year of funding designated as program year and fiscal year.

The 2004 Adult and Youth allocations reflect incentives awarded to the regions for achieving their 2003 performance measures, as well as sanctions for failing to achieve the negotiated level for a specific performance indicator and/or a 100 percent cumulative program area score for PY '01 and PY '02. Incentives and sanctions were made in accordance with the Missouri Training and Employment Council's Policy as outlined in DWD Issuance 19-01.

As indicated above, authority to make transfers between Adult and Dislocated Worker programs is at a 30 percent maximum. The limitation contains the same language requiring the Governor's concurrence to authorize the transfer. Based upon the increase in dislocations across the state in recent months, the Division of Workforce Development (DWD) believes that it will be very difficult for any region within the state to make a convincing argument for transferring Dislocated Worker funding to

support the Adult program. We do not mean to imply a lesser concern for the adult economically-disadvantaged population, but we do not have the compelling data at our disposal to make any general comments on transfers of Adult funds to support Dislocated Workers.

3. Action: This information should be used to develop the Planning Budget Summaries for all funding as identified and included in Attachments 1 through 3. A separate Planning Budget Summary must be submitted for PY '04 funds (Attachment 4) and FY '05 funds (Attachment 5). ***The LWIB should prepare a plan modification in accordance with DWD Issuance 01-00, Change 3 to include these funds and make other necessary changes to the local plan.***

The LWIB is reminded that for any transfer requested, additional plan narrative information is to be submitted as part of the local plan modification. Such transfer plan narrative information requirements may be found in the State of Missouri's WIA Plan. It is also referenced in the LWIA Plan Modification Procedures referenced in DWD Issuance 01-00, Change 3.

PY '04 WIA Youth funds (Attachment 2) are available April 1, 2004. PY '04 Adult and Dislocated Worker funds (Attachments 1 and 3) are available

July 1, 2004. FY '05 Adult and Dislocated Worker funds (Attachments 1 and 3) are available October 1, 2004.

The LWIA Plan Modification should include a properly prepared Planning Budget Summary. Summaries must be submitted as soon as possible for WIA funds for PY '04 and FY '05. A fully signed contract agreement including these funds and the Planning Budget Summary must be on file with DWD before the release of requested funds by the Division.

4. Contact: Please contact Rita Holtmeyer at (573) 751-7797 if you have any questions regarding the calculation of the PY '04/FY '05 allocations. Contact Jerry Tharp at (573) 751-7897 if you have any questions regarding the use of this issuance in preparing your WIA plan modification.

DWD ISSUANCE 03-03

April 26, 2004

Page 4

5. Cross/Historical: WIA Sections 182,127(b)(1)(C), and
 132(b)(1)(B) and (2)(B). Historical references include DWD
 Issuance 01-00, Change 3 and DWD Issuance 14-01.

Rick Beasley, Director

RB/RH

Attachments

- c: DWD Administration Team
 DWD Central Office Managers
 Regional Managers
 WIB Chairs
 WIB Contacts